

Department of Veterans Affairs

842.801-70

who will transmit with recommendation to the General Counsel for legal review and approval, as required by 801.602-70(a)(4).

(1) Proposed agreements, both new and renewal, will be submitted in an original and four copies so as to reach Central Office 60 days prior to the effective date of the agreement.

(2) Complete justification for all proposed agreements will be submitted, as approval depends on the adequacy of the justification.

[49 FR 12624, Mar. 29, 1984, as amended at 50 FR 794, Jan. 7, 1985; 63 FR 69222, Dec. 16, 1998]

Subpart 842.2—Assignment of Contract Administration

842.202 Assignment of contract administration.

Proposed assignments of contract administration responsibility outside of the procuring activity will be forwarded by the facility director to the Deputy Assistant Secretary for Acquisition and Materiel Management (95), who will transmit the proposal to the General Counsel for legal review and approval, as required by 801.602-70(a)(6) and 801.602-71. Complete justification will be provided, specifically addressing the need for and benefits to be provided by assignment of contract administration. (See 801.603-70 for policy on designating representatives of contracting officers, and 48 CFR 9904 (FAR Appendix B) for policy on contracts involving Cost Accounting Standards.)

[49 FR 12624, Mar. 29, 1984, as amended at 50 FR 794, Jan. 7, 1985; 63 FR 69222, Dec. 16, 1998]

Subpart 842.7—Indirect Cost Rates

842.705 Final indirect cost rates.

(a) Contracting officers will request audits on proposed final indirect cost rates and billing rates for use in cost reimbursement, fixed price incentive and fixed price redeterminable contracts as described in FAR Subpart 42.7 unless the quick-closeout procedures described in FAR 42.708 are used. In this case, the contracting officers will perform a review and validation of the contractor's data submitted for accuracy and reasonableness of the proposed rates for negotiating the settle-

ment of indirect costs for a specific contract.

(b) Contracting officers in the Office of Acquisition and Materiel Management and Office of Facilities Management who are located in the VA Central Office have the option to request audits directly from the cognizant audit agencies or requesting audits through the Assistant Inspector General, Office of Departmental Reviews and Management Support (53C). All other contracting officers located in the VA Central Office and the Office of the General Counsel will send requests for audit to the Assistant Inspector, Office of Departmental Reviews and Management Support (53C). Contracting officers located at field facilities, VA National Acquisition Center and supply depots are required to arrange for the audits through the Deputy Assistant Secretary for Acquisition and Materiel Management or the Chief Facilities Management Officer. The Assistant Inspector General, Office of Departmental Reviews and Management Support (53C) will provide such accounting assistance or technical advice as is deemed desirable by the contracting officers.

[49 FR 12624, Mar. 29, 1984, as amended at 52 FR 49017, Dec. 29, 1987; 54 FR 40065, Sept. 29, 1989; 63 FR 69222, Dec. 16, 1998]

Subpart 842.8—Disallowance of Costs

842.801-70 Audit assistance prior to disallowing costs.

When a contracting officer determines during the performance of a cost reimbursement, fixed price incentive or fixed price redetermination contract exceeding the thresholds specified in FAR 15.403-4, that costs should be disallowed, audit assistance will be requested. Such requests submitted by field facility contracting officers will be directed to the Deputy Assistant Secretary for Acquisition and Materiel Management (95) for review and forwarding to the Assistant Inspector General, Office of Audit (52), or other recognized audit agency, e.g., the Defense Contract Audit Agency.

[49 FR 12624, Mar. 29, 1984, as amended 63 FR 69222, Dec. 16, 1998]